





The Commission's vision is that all children are healthy and thriving in safe and nurturing family environments and ready to succeed in their educational experiences.

<b>Adjourn</b>	

If you are planning to attend and need special accommodations, please contact us at (530) 749-4877 at least three days in advance of the meeting. The schedule of future meetings is posted on the Commission's website, [www.first5yuba.org](http://www.first5yuba.org).

**The next regular Commission meeting will be on April 27, 2023**

Agendas, minutes and supporting material are available for public review at 1114 Yuba Street, Suite 141, Marysville CA. Agendas are posted at the Yuba County Government Center, 915 8th Street, Marysville CA 95901. Please email [first5@co.yuba.ca.us](mailto:first5@co.yuba.ca.us) to be added to the email distribution list.

**Updated: 2/16/2023 2:55 PM**

**AGENDA ITEM 1**  
**February 23, 2023**

<b>Subject</b>	AB 361 Open Meetings - Teleconferences
<b>Supporting Document(s)</b>	<ul style="list-style-type: none"> <li>• Resolution 22-09 Authorizing Meetings by Teleconference</li> <li>• Memo on AB2499 Brown Act Procedures for Remote Meetings</li> </ul>
<b>Overview</b>	<p>Governor Newsom’s Executive Order No. N-29-20, which allows some or all Commissioners/Committee Members to participate in a public meeting via teleconference (phone or video) expired as of September 30, 2021, was replaced by AB361.</p> <p>The local agency board must make specific findings every 30 days during a state of emergency when telephonic or virtual meetings are required. The state of emergency in California is scheduled to end on February 28, 2023.</p> <p>Once the state of emergency expires, AB2499 Brown Act Procedures for Remote Meetings will take precedence. This bill amended the Brown Act to authorize teleconferencing when a Commissioner can demonstrate “Just Cause” or an “emergency circumstance.”</p>
<b>Discussion</b>	Adopting the resolution will allow for continued virtual and hybrid meetings It would apply to meetings of the Commission and its standing committees, Executive and Advisory.
<b>Recommendation</b>	Adopt the resolution authorizing the agency to allow for the Commission and standing committees to participate via teleconference through the end of the Public Health Emergency.
<b>Fiscal Impact</b>	None
<b>Action Requested</b>	Motion to Adopt the resolution authorizing the agency to allow for the Commission and standing committees to participate via teleconference through the end of the Public Health Emergency

BEFORE THE FIRST 5 YUBA COUNTY  
CHILDREN AND FAMILIES COMMISSION

**RESOLUTION: Authorizing the continuing use of teleconferencing for Commission and standing committee meetings in accordance with AB361 signed into law September 15, 2021**

**RESOLUTION NO. 22 – 09**

**WHEREAS**, First 5 Yuba County, a California local governmental agency formed under the California Children and Families Act of 1998, conducts its meetings in accordance with the Ralph M. Brown Act (Brown Act) under Government Code section 54950 et seq.; and

**WHEREAS**, the Brown Act requires all public meetings of local agencies to be publicly noticed in locations where members of the local body will be participating, that such location be open and accessible to the public, and at least a quorum of the members of the legislative body must participate from locations within the boundaries of the territory over which the local body exercises jurisdiction; and

**WHEREAS**, under AB 361, a local agency may hold a teleconferenced meeting during a proclaimed state of emergency upon a determination, by majority vote, that as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; and

**WHEREAS**, on October 28, 2021, the Commission approved Resolution 22-01; and

**WHEREAS**, as a condition of extending the use of the teleconferencing provisions beyond Resolution 22-01, the Commission adopted Resolution 22-02 on December 16, 2021; and

**WHEREAS**, the Commission further extended the use of teleconferencing provisions when it adopted Resolution 22-03 on February 24, 2022; and

**WHEREAS**, the Commission further extended the use of teleconferencing provisions when it adopted Resolution 22-04 on April 28, 2022; and

**WHEREAS**, the Commission further extended the use of teleconferencing provisions when it adopted Resolution 22-05 on June 23, 2022; and

**WHEREAS**, the Commission further extended the use of teleconferencing provisions when it adopted Resolution 22-06 on August 25, 2022; and

**WHEREAS**, the Commission further extended the use of teleconferencing provisions when it adopted Resolution 22-07 on October 27, 2022; and

**WHEREAS**, the Commission further extended the use of teleconferencing provisions when it adopted Resolution 22-08 on December 15, 2022; and

**WHEREAS**, pursuant to AB 361, in order to continue to allow the Commission, and any standing sub-committees under the commission to meet by teleconference under such abbreviated teleconferencing procedures must be renewed at least every thirty (30) days; and

**NOW, THEREFORE, BE IT RESOLVED** that the First 5 Yuba Commission find as follows:

1. The facts stated in the recitals above are true and correct and the Commission so finds, orders, and determines.
2. The Commission hereby continues to resolve and determines that meeting in person would present imminent risks to the health and safety of attendees, and will continue to hold its meetings by teleconference pursuant to AB 361.
3. This resolution shall become effective as of February 24, 2023 and shall apply to meetings of the Commission and meetings of all standing committees of the Commission.

**PASSED, APPROVED, AND ADOPTED** this 23<sup>rd</sup> day of February 2023 by the following vote:

AYES:

NOES: None

ABSENT: None

ABSTAIN: None

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Commission Chair (or Vice Chair)

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ATTEST: Ericka Summers  
First 5 Yuba Executive Director

**COLANTUONO**  
**HIGHSMITH**  
**WHATLEY, PC**

GARY B. BELL | (916) 898-0049 | GBELL@CHWLAW.US

**MEMORANDUM**

TO: Ericka Summers, Executive Director      FILE NO: 44023.0001  
First Five Yuba County

FROM: Gary B. Bell, General Counsel      DATE: February 14, 2023

RE: AB 2449 (Rubio): Brown Act Procedures for Remote Meetings

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On September 13, 2022, Governor Newsom signed Assembly Bill No. 2449 (Rubio) (“AB 2449”), effective January 1, 2023. The bill amends the Brown Act to authorize teleconferencing when a Commissioner can demonstrate “just cause” or an “emergency circumstance.” The teleconferencing rules under this bill, summarized below, may be used on and after March 1, 2023 when the Governor’s state of emergency ends and the procedures under Assembly Bill No. 361 (“AB 361”) are no longer available.

**TELECONFERENCING UNDER THE BROWN ACT**

Before the Covid-19 Pandemic, the Brown Act authorized teleconferencing under the following conditions:

1. the Commission “shall post agendas at all teleconference locations”;
2. “Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding”;
3. “Each teleconference location shall be accessible to the public”; and

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AB 2449 - Brown Act Procedures for Remote Meetings\GBELL\302094.v1

4. “At least a quorum of members of the legislative body shall participate from locations within the boundaries of the ... jurisdiction.”<sup>1</sup>

At the outbreak of the Covid-19 Pandemic, Governor Newsom issued Executive Order N-29-20 in March 2020, waiving the conditions above to encourage teleconferencing to stem the rate of Covid transmission.<sup>2</sup> Governor Newsom signed AB 361, effective September 2021, adding subdivision (e) to Government Code section 54953 and codifying the waiver, but only during a proclaimed state of emergency.<sup>3</sup> Under AB 361, the Commission must make specified findings every 30 days to continue teleconferencing.<sup>4</sup> AB 361 expires on January 1, 2024.<sup>5</sup>

**ANALYSIS OF AB 2449**

**a. Teleconferencing Under the Default Rules v. AB 361 v. AB 2449**

AB 2449 amends the teleconferencing provisions of the Brown Act and adds subdivision (f) to Government Code section 54953. Important differences between the default teleconferencing rules and the special rules under AB 361 and AB 2449 are summarized below:

	<b>Default Rules</b>	<b>AB 361</b>	<b>AB 2449</b>
In-person participation of a quorum of commissioners	Required	Not required	Required
Method of Commissioner’s participation in teleconferenced meeting	Audio or Audio-Visual	Audio or Audio-Visual	Audio-Visual only
Required opportunities for public participation	Only in-person incl. at remote location	Call-in or internet-based	Call-in or internet-based & in-person
Required course of action if disruption prevents broadcast of	Meeting proceeds	No further action taken	No further action taken

<sup>1</sup> Gov. Code, § 54953, subd. (b)(3).

<sup>2</sup> Exec. Order No. N-29-20 (March 4, 2020).

<sup>3</sup> Gov. Code, § 54953, subd. (e)(1).

<sup>4</sup> Gov. Code, § 54953, subd. (e)(3).

<sup>5</sup> Gov. Code, § 54953, subd. (f).

meeting or public's ability to comment			
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For an agency to invoke the procedures under AB 2449, there must at least be a quorum of the Commissioners participating in person from a singular, physical location identified on the agenda; the location must be accessible to the public; and the meeting location must be within the local agency's jurisdiction.<sup>6</sup> Local agencies must provide at least one of the following to facilitate a public meeting that equally allows remote participants to interact:

- A two-way audio-visual platform (defined to mean an online platform that provides participants with the ability to participate in a meeting through an interactive video conference and a two-way telephonic function); and/or
- A two-way telephonic service and a live webcasting of the meeting (defined to mean a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform and allows participants to dial a telephone number to listen and verbally participate).<sup>7</sup>

When participating remotely, Commissioners shall participate through both audio and visual technology.<sup>8</sup> Before any official action is taken, the Commissioner must publicly disclose whether any other individuals 18 years or older are in the room at the remote location with the Commissioner, and what the individual's relationship is to the Commissioner.<sup>9</sup>

If a disruption occurs that prevents the Commission from convening the meeting both remotely and in person, the Commission will take no further action on the meeting agenda until public access to the meeting has been restored.<sup>10</sup> This includes situations where the online platform for remote participation has been disrupted and the public may no longer access the meeting remotely. Actions taken during disruption may be challenged.<sup>11</sup>

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<sup>6</sup> Gov. Code, §§ 54953, subd. (d)(1)-(2) and (e)(1).

<sup>7</sup> Gov. Code, § 54953, subd. (f)(1)(A).

<sup>8</sup> Gov. Code, § 54953, subd. (f)(2)(C).

<sup>9</sup> Gov. Code, § 54953, subd. (f)(2)(B).

<sup>10</sup> Gov. Code, § 54953, subd. (f)(1)(D).

<sup>11</sup> *Id.*



**b. Teleconferencing for “Just Cause” v. “Emergency Circumstances”**

Unlike AB 361, which only applies during a proclaimed state of emergency, AB 2449 applies when a Commissioner can demonstrate “just cause” or an “emergency circumstance.”<sup>12</sup> “Just cause” means any of the following:

- A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely;
- A contagious illness that prevents a Commissioner from attending in person;
- A need related to a physical or mental disability; or
- Travel while on official business of the Commission or another state or local agency.<sup>13</sup>

“Emergency circumstance” means a physical or family medical emergency that prevents a Commissioner from attending in person.<sup>14</sup>

The procedures for invoking “just cause” or an “emergency circumstance” are different:

	<b>Just Cause</b>	<b>Emergency Circumstance</b>
Reason must be disclosed to the Commission	Yes	Yes
Reason for teleconferencing needs to be approved by the BCommission	No	Yes
Reason must be disclosed before the agenda publication deadline	Yes	No
Annual limit on use	Two meetings per calendar year	

<sup>12</sup> Gov. Code, § 54953, subd. (f)(2).

<sup>13</sup> Gov. Code, § 54953, subd. (j)(2).

<sup>14</sup> Gov. Code, § 54953, subd. (j)(1).

	Just Cause	Emergency Circumstance
	Commissioners may not use a combination of “just cause” and “emergency circumstances” to participate remotely for more than three months or 20 percent of the regular meetings of the calendar year. If the legislative body meets fewer than 10 times a year, they cannot participate remotely in more than 2 regular meetings.	

**c. Process for seeking to participate remotely for “just cause”**

- Commissioner provides a general description of the just cause at the earliest opportunity possible, but before the agenda publication deadline;<sup>15</sup>
- Commissioner has not requested over two just cause teleconferencing opportunities; more than three months of consecutive just cause or emergency circumstances teleconferencing opportunities, or requests have not been made for more than 20 percent of meetings;<sup>16</sup>
- Clerk/Secretary publishes the agenda listing the means by which public may access the meeting and offer public comment;<sup>17</sup>
- Clerk/Secretary confirms a quorum of the Commission is physically present within the agency’s territorial jurisdiction;
- Teleconferencing Commissioner turns on his or her audio and video (calling in by phone is not permitted), and only turns off the audio and video when he or she must recuse himself or herself from an agenda item.<sup>18</sup>
- Commissioner discloses at the start of the meeting whether any other individuals 18 years of age or older are present in the room at the remote location with the Commissioner, and the Commissioner’s relationship with the individual.<sup>19</sup>
- Clerk/Secretary ensures all votes are taken by roll call.<sup>20</sup>

<sup>15</sup> Gov. Code, § 54953, subd. (f)(2)(A)(i).

<sup>16</sup> Gov. Code, §§ 54953, subd. (f)(2)(A)(i) and (f)(3).

<sup>17</sup> Gov. Code, § 549542.2, subd. (a)(1).

<sup>18</sup> Gov. Code, § 54953, subd. (f)(2)(C).

<sup>19</sup> Gov. Code, § 54953, subd. (f)(2)(B).

<sup>20</sup> Gov. Code, §§ 54953, subd. (b)(2)(A).

**d. Process for seeking to participate remotely for “emergency circumstances”**

- Commissioner provides a general description of the emergency circumstance at the earliest opportunity possible, but before the agenda publication deadline;<sup>21</sup>
- Commissioner has not requested more than three consecutive months of remote participation or more than 20 percent of meetings within a calendar year; or more than two meetings if the Commission meets for less than 10 meetings per calendar year;<sup>22</sup>
- Clerk/Secretary publishes the agenda listing means by which the public may access the meeting and offer public comment;
- Clerk/Secretary confirms a quorum of the Commission is physically present within the agency’s territorial jurisdiction;
- The Commission votes to approve teleconference participation due to emergency circumstance;
- Teleconferencing Commissioner turns on his or her audio and video (calling in by phone is not permitted), and only turns off the audio and video when he or she must recuse himself or herself from an agenda item.<sup>23</sup>
- Commissioner discloses at the start of the meeting whether any other individuals 18 years of age or older are present in the room at the remote location with the Commissioner, and the Commissioner’s relationship with the individual.<sup>24</sup>
- Clerk/Secretary ensures all votes are taken by roll call.<sup>25</sup>

**CONCLUSION**

Beginning March 1, 2023, AB 2449 will provide agencies with an additional method to organize teleconferenced meetings. Commissioners and the Clerk/Secretary should familiarize themselves with these Brown Act provisions to make use of them when appropriate.

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<sup>21</sup> Gov. Code, § 54953, subd. (f)(2)(A)(ii).

<sup>22</sup> Gov. Code, § 54953, subd. (f)(3). Because the Board meets more than 10 times a year, the limitation to 2 total meetings will not apply.

<sup>23</sup> Gov. Code, § 54953, subd. (f)(2)(C).

<sup>24</sup> Gov. Code, § 54953, subd. (f)(2)(B).

<sup>25</sup> Gov. Code, §§ 54953, subd. (b)(2)(A).

Ericka Summers, Executive Director

February 14, 2023

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Further, AB 2449 requires the Commission to “implement a procedure for receiving and swiftly resolving requests for reasonable accommodations for individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 ... .”<sup>26</sup> Many agencies include a procedure on agendas. If you would like suggested language to meet this requirement, our office can provide it.

If you would like more information regarding the issues discussed in this memo, please do not hesitate to contact Gary Bell at (916) 898-0049 or GBell@chwlaw.us.

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<sup>26</sup> Gov. Code, § 54953, subd. (f).

## DRAFT MINUTES

First 5 Yuba County Children and Families Commission  
Regular Meeting (Hybrid) Minutes, December 15, 2022

**CALL TO ORDER:** *Commissioner Gordon called the meeting to order at 3:30 PM.*

> **COMMISSIONERS PRESENT –**

*Commissioner Gordon  
Commissioner Sokoloski  
Commissioner Staples  
Commissioner Bradford  
Commissioner Arnold*

> **COMMISSIONERS EXCUSED –**

*Commissioner Thurman  
Commissioner Reveles*

**STAFF PRESENT –**

*Ericka Summers  
Robin Timoszyk  
Carmen Rodriguez  
Rita Baker  
Sarah Kotko*

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**PLEDGE OF ALLEGIANCE:** *The group passed as the meeting was conducted hybrid, and the pledge of allegiance was said with the flag present.*

**PUBLIC COMMENT:** *No public comments were received.*

\*Tony Gordon announced that this is his last meeting, and he is being reassigned. Two others will be assigned to this Commission in to represent the Director of HHS and Public Health.

- 1. Consent/Action- Resolution Regarding Teleconferencing in Accordance with AB361**
- 2. Consent/Action- Approval of Minutes for October 27, 2022**

Motion by Commissioner Arnold to approve the Consent Agenda.  
Second: Commissioner Sokoloski

Roll Call Vote:

Ayes: Commissioner Gordon, Sokoloski, Arnold, and Bradford

Nay/Abstain: None

*Motion carried.*

- 3. Hearing Presentation from Applied Survey Research – Annual Evaluation Report**

External evaluator, Liat Sayfan, provided a 45 minutes presentation of the 2021/2022 Annual Evaluation Report.

- 4. Discussion/Action: MG23-A-103 Casa de Esperanza Application**

\*Commissioner Gordon had all grants reviewed prior to discussion making because there is only \$12,000 left in the Mini-Grant funds, and all four applications asked for the maximum amount of \$4,000. Gordon stated that this would be a fair way to make sure they were funding the applications in the correct manner. Ericka showed and explained the current snapshot of the 2022-23 Mini-Grants, and she advised the Commission of an alternate funding amount to be able to fund all applications. The Commission agreed to let all applicants explain, and then they would decide how much they would fund each.

Michelle Downing was present to explain the project. One of the questions asked on this project was; where was other funding going to come from to be able to complete the project? She responded that they would solicit other organizations, such as the Rotary, Kiwanis, etc. Michelle reiterated that any funding would be helpful for their project.

Motion by Commissioner Arnold to fund Casa de Esperanza for \$3,000.  
Second: Commissioner Sokoloski

Roll Call Vote:  
Ayes: Commissioner Gordon, Sokoloski, Staples, and Arnold  
Nay/Abstain: None

Motion carried.

**5. Discussion/Action: MG23-A-104 Beale Family Support Center Boosters Club**

Kim Hogue and Gerardo were present to explain the project.

Motion by Commissioner Sokoloski to fund Beale Family Support Center Booster Club for \$3,000.  
Second: Commissioner Arnold

Roll Call Vote:  
Ayes: Commissioner Gordon, Sokoloski, Staples, and Arnold  
Nay/Abstain: None

Motion carried.

**6. Discussion/Action: MG23-A-105 Yuba Sutter United Way**

Robert Harlan was present to explain the project.

Motion by Commissioner Arnold to fund Yuba Sutter Colusa United Way for \$3,000.  
Second: Commissioner Staples.

Roll Call Vote:  
Ayes: Commissioner Gordon, Sokoloski, Staples, and Arnold  
Nay/Abstain: None

Motion carried.

**7. Discussion/Action: MG23-A-106 North Yuba Little League**

Kim Hutton was present via zoom to explain the project.

Motion by Commissioner Sokoloski to fund North Yuba Little League for \$3,000.  
Second: Commissioner Staples

Roll Call Vote:  
Ayes: Commissioner Gordon, Sokoloski, Staples, and Arnold  
Nay/Abstain: None

Motion carried.

**8. Discussion/Action: Approval of the 2023 Commission Meeting Schedule**

Motion by Commissioner Arnold to approve the 2023 Commission Meeting Schedule.  
Second: Commissioner Sokoloski

Roll Call Vote:  
Ayes: Commissioner Gordon, Sokoloski, Staples, and Arnold  
Nay/Abstain: None

Motion carried.

**9. Discussion/Action: Pursuant to County Ordinance- Article VI, Section 2, Appoint Chair and Vice Chair**

The Commissioners discussed options and nominated Commissioner Sokoloski if she would be the Chair for the 2023 year since she is the current Vice Chair, and she accepted the nomination. Additional discussion for the position of Vice Chair, Jim Arnold would only be present for half the year, and then at that time, the Vice Chair position will be re-evaluated. Jim accepted the nomination for Vice-Chair.

Motion by Commissioner Gordon to elect Commissioner Sokoloski as Chair and Commissioner Arnold as Vice Chair for 2023.  
Second: Commissioner Staples

Roll Call Vote:

Ayes: Commissioner Gordon, Sokoloski, Staples, and Arnold

Nay/Abstain: None

Motion carried.

#### **10. Discussion: Prop 10 Revenues**

Executive Director provided a high-level overview of the effect of the recently approved Proposition 31 (flavor ban) on tobacco taxes and First 5 funds for the current and following years. The most recent funding projections were released in November. The budget was built around \$758,000 in funding, and the new projections show \$705,000 through June 2023. A reduction of \$55,000 this year or 8%. They typically decline by 2%. Prop 31 is effective December 21, 2022. Over the next year and a half, we will see a 25% decline in revenue before leveling out. To meet existing obligations, we will need to use more funds from the trust account than originally anticipated. ED requested feedback on creating a Budget Ad Hoc Committee and other cost-saving measures. Other suggestions included applying for outside grants, collaborating with other County Departments such as Health and Human Services and Probation, CAPC prevention funds, and funding staff over travel or materials. Overall, the Commission is in a good position to weather this reduction in funding. The Commission provided feedback that such a committee should be created. ED may look into the cost of a consultant to help with a long range financial plan. Will bring more information back to the Commission in February.

#### **11. Discussion: Executive Director Monthly Activity Report**

Executive Director Summers provided the commission with a brief administration, program, special committee updates, and outreach report since October.

**MEETING ADJOURNED AT 5:29 PM**

**The next Commission Meeting is scheduled for February 23, 2023.**

**AGENDA ITEM 3**  
**February 23, 2023**

<b>Subject</b>	<b>Public Hearing: Review of First 5 California Annual Report for FY 2021-2022</b>
<b>Supporting Document(s)</b>	2021-2022 First 5 California Annual Report available online at <a href="https://ccfc.ca.gov/pdf/commission/meetings/handouts/Commission-Handouts-2023-01-19/Item-4-Attachment-A-Draft-FY-2021-22-Annual-Report.pdf">https://ccfc.ca.gov/pdf/commission/meetings/handouts/Commission-Handouts-2023-01-19/Item-4-Attachment-A-Draft-FY-2021-22-Annual-Report.pdf</a>
<b>Overview</b>	Pursuant to Health and Safety Code Section 130140(d)(3). and the County of Yuba Ordinance Code [Chapter 4.45] The Commission shall conduct at least one public hearing on each annual report by the State Commission
<b>Recommendation</b>	<ol style="list-style-type: none"><li>1) Open Public Hearing.</li><li>2) Receive public comment.</li><li>3) Accept the Annual Report of First 5 California for Fiscal Year 2021-2022</li><li>4) Authorize the Executive Director to submit public comment, if any, to the State Commission.</li><li>5) Close Public Hearing</li></ol>
<b>Fiscal Impact</b>	The Health and Safety Code grants First 5 California the authority to withhold funding from any county commission failing to review and accept the State Annual Report.
<b>Action Requested</b>	No formal action



**AGENDA ITEM 4**  
**February 23, 2023**

<b>Subject</b>	<b>Public Hearing: Annual Review of the County Strategic Plan</b>
<b>Supporting Document(s)</b>	First 5 Yuba Strategic Plan 2021 – 2026 available online <a href="#">here</a>
<b>Overview</b>	The Commission is asked to conduct a public hearing to receive testimony from the public at large before adopting the revised strategic plan pursuant to Health and Safety Code §130140 30140 (a)(1)(C)(iii).
<b>Discussion</b>	In February 2021, the Commission approved a Strategic Plan for July 2021 – June 2026. It has been reviewed annually, as required by mandates, and revised as appropriate. There have been no revisions to date.  Staff recommends no changes to the existing First 5 Yuba Strategic Plan.
<b>Recommendation</b>	1) Open Public Hearing. 2) Receive public comment. 3) Close Public Hearing
<b>Fiscal Impact</b>	None
<b>Action Requested</b>	No formal action

**AGENDA ITEM 5**  
**February 23, 2023**

<b>Subject</b>	FY 2021-2022 Mid-Year Budget Revisions
<b>Supporting Document(s)</b>	A. Staff Narrative B. 2022/2023 Year to Date Financials (through Period 6) C. 2022/2023 Draft Mid-Year Budget 1. Communication Plan Budget Amendments
<b>Overview</b>	On June 23, 2022, pursuant to Health and Safety Code provisions and the County of Yuba Ordinance Code 4.45, the Commission adopted a budget prior to the start of the fiscal year. Annually First 5 reviews budgets to ensure alignment with operations and adjusts accordingly.
<b>Discussion</b>	Refer to staff narrative
<b>Action Requested</b>	Motion to approve the mid-year revisions to the Annual Budget for FY 2022-2023 authorizing the Executive Director to perform all operational and administrative duties necessary to carry out all budget functions as in alignment with internal and external contracts and in alignment with the strategic plan.



## Prop 10 Budget Narrative December 2022-2023

This narrative is intended to brief the Commission on newly projected Prop 10 revenues in accordance with Health and Safety Code provisions and the County of Yuba Ordinance Code 4.45.

### OVERVIEW

Over the past few years tobacco tax revenues have been declining. More significant is the to highlight Proposition 31 will have a consistent effect on declining revenues calling for more

In express the urgency of this steep and lasting revenue decline

New projections from the Department of Finance (DOF) are traditionally released in May prior to the next FY. Projections to build our 2022-2023 Budget used projections from May of 2021 since the May Revise was not published. The newest projections from the DFO were release Nov 1<sup>st</sup> 2022 using the Governor's May 2022 Revise Budget.

The new updated projections take into account voter approval of Proposition 31 on the November 2022 ballot. Proposition 31 upheld SB 793 – a legislative measure signed by Governor Newsom on August 28, 2020, that bans the sale of flavored tobacco products and tobacco product flavor enhancers, with exceptions for hookah tobacco, loose leaf tobacco, and premium cigars. The updated projections also reflect the lower-than-expected cigarette tax distributions that have persisted since May, as well as updated estimates from CDTFA regarding backfills to and from the Proposition 10 fund.

The updated estimates are also significantly below the May revenue projections due to much lower-than-expected monthly cigarette distributions in recent months, as well as lower net backfills based on the updated CDTFA estimates made October. Year-over year cigarette distributions during the period were down by more than 10 percent during the May-through-October period, continuing a declining trend that has been in place since mid-2021. Updated CDTFA estimates of net revenues from backfills were down about \$10 million from the May estimates.

### REVENUES:

- Prop 10 Revenue Projections: FY 2021-22: **\$758,625**
- NEW: Prop 10 Revenue Projections Flavor Ban: FY 2021-22: **\$705,000**
- Current Revenues to date– July - Sept **\$242,**

### EXPENDITURES- Projected

Projected Prop 10 annual program expenditures for the upcoming FY is estimated to be **\$573,805**. The funding is allocated in the following goal areas:

1. Child Health & Development: \$167,825
2. Resilient Families: \$282,937

3. Quality Early Learning: \$58,043
4. Strong Systems: \$65,000

**Additional Grant Revenues: \$336,205**

- CDPH- Tobacco \$251,421
- FFCA- Home Visiting: \$40,434
- FFCA IMPACT- \$44,350

**Key takeaways:**

Proposition 10 revenues in 2022-23 are projected to be down over 8 percent from 21-22 projections, compared to a 1.9 percent decline forecasted in May. A couple of reasons for this big change:

- Prop. 31 effects will start on 1/1/23 with the removal of products from the market. That means an additional \$16-25M in revenue decline for the current FY22-23. The full year effect of Prop. 31 will begin FY23-24 with an additional \$34-51M in revenue decline.
- The cumulative impact of 1) declining cigarette distributions and 2) Proposition 31 over the next 18 months will be between \$71-88M or 19.6 – 24.6 percent.
- Prop. 31 will reduce revenue by \$257-390M (10-15 percent) over the next eight years.
- In May there were signs that monthly cigarette distributions were stabilizing after plunging in late 2021 and early 2022 (perhaps due partly to inventory drawdowns), but that just didn't prove to be the case. Since May, distributions (and tax revenues) are down by over 10 percent year over year.
- The California Department of Tax and Fee Administration (CDTFA) has adjusted down the 2021-22 net backfill number by \$10 million than assumed in May, and that reduction carries through each year of the forecast.
- Starting in FY24-25 the forecasted revenues begin to stabilize, but still have annual declines of 1.5 – 5.4 percent.

**Executive Director Comments**

Proposition 31 was without a doubt the right public health choice, but with the unintended consequence of hitting our revenue. Projections have not yet been calculated down to a County by County projection with our consultant but Yuba intends to use Nov 1<sup>st</sup> analysis form DOF. Official data has not been released on updated local birthrates but would likely be a small or incremental difference- especially in a small county such as Yuba.

**Every county** will need to pull from trust reserves many have already have been but need to do a deeper dive these forth coming years. The revenue “cliff” over the next 18 months cannot be understated. Prop. 31, coupled with plunging cigarette sales, will set a new floor of tobacco tax revenue.

In the next 6 months the commission will need to consider all contributing factors to this steep decline and explore ways to conserve resources but also consider how to continue to equitably serve children 0-5 and their families. As we continue to forecast the statewide and local implications feedback and insight from the commission will be imperative. My ask is that this is an ongoing two way discussion.

Next Steps & considerations:

- Continue to attend Executive Director Association meetings to get revenue and forecasting updates and relay to the full commission.
- Consider steps to strategically map out the impact on First 5 Yuba
  - Consultant
  - Ad Hoc Budget workgroup
- Finalize Mid Year Budget for review and approval Feb

**FIRST 5 YUBA COUNTY  
FIRST 5 DRAFT MID-YEAR BUDGET  
FY 2022/2023**

	General (prop10)	CTCP	IMPACT	HV-FFCA	Total Combine Budget
110-5500-361-6200	Revenue - Prop. 10 (Includes 56)	758,625.00			\$ 758,625.00
110-5500-361-6200	Revenue- Grant Awards (CDPH, FFCA)		251,421.00		\$ 251,421.00
110-5500-363-7400	Revenue - Other (Non- Gov't Grants)	12,000.00		44,350.00	\$ 100,083.20
110-5500-351-3000	Interest Income & SMIF	3,000.00			\$ 3,000.00
110-5500-351-3000	Carry Over	237,023.00			\$ 237,023.00
<b>TOTAL REVENUE</b>		<b>1,010,648.00</b>	<b>251,421.00</b>	<b>44,350.00</b>	<b>\$ 1,350,152.20</b>

110-5500-451-0101	Salaries - Regular	198,156.00	96,662.00	36,863.00	23,096.00	\$ 354,777.00
110-5500-451-0119	EE Referral Program	500.00				\$ 500.00
110-5500-451-0201	Benefits - Co Share PERS UAL	39,049.56	23,292.72		6,165.72	\$ 68,508.00
110-5500-451-0202	Benefits - Co Share PERS Normal	13,125.00	7,830.00	0.00	2,073.00	\$ 23,028.00
110-5500-451-0204	Group Health Insurance	32,524.00	19,200.00	0.00	4,747.00	\$ 56,471.00
110-5500-451-0205	Medicare	3,329.00	1,715.00	0.00	0.00	\$ 5,044.00
110-5500-451-0206	Workers Comp Insurance	2,751.00	0.00	0.00	0.00	\$ 2,751.00
110-5500-451-0207	Life Insurance	282.00	146.00	0.00	0.00	\$ 428.00
110-5500-451-0208	Unemployment Insurance	232.00	119.00	0.00	0.00	\$ 351.00
110-5500-451-0209	Retiree Healthcare Insurance	1,816.00	0.00	0.00	0.00	\$ 1,816.00
<b>Total Salaries &amp; Benefits</b>		<b>291,764.56</b>	<b>148,964.72</b>	<b>36,863.00</b>	<b>36,081.72</b>	<b>\$ 513,674.00</b>
110-5500-451-1200	Communications	1,739.00	561.00			\$ 2,300.00
110-5500-451-1500	Insurance	5,000.00				\$ 5,000.00
110-5500-451-1700	Network Fees	35,554.00	1,469.00			\$ 37,023.00
110-5500-451-2000	Memberships	4,500.00	375.00			\$ 4,875.00
110-5500-451-2200	Office Expense	2,500.00	4,068.00	440.00	63.70	\$ 7,072.00
110-5500-451-2300	Professional Services - Administration	15,000.00				\$ 15,000.00
110-5500-451-2400	Publications	500.00				\$ 500.00
110-5500-451-2500	Rents & Leases - Equipment	1,663.00			30.40	\$ 1,694.00
110-5500-451-2600	Rents & Leases - Building	15,400.00	9,775.00			\$ 25,175.00
110-5500-451-2700	Minor Equipment	4,000.00	2,338.00			\$ 6,338.00
110-5500-451-2900	Travel	3,500.00	1,663.00	725.00	168.00	\$ 6,056.00
110-5500-451-4000	Responsive Discretionary Emergency- Hold Harmless	10,000.00				\$ 10,000.00
110-5500-451-5301	County Administrative A-87 Charges	53,778.00				\$ 53,778.00
<b>Total Operating Expenses</b>		<b>153,134.00</b>	<b>20,249.00</b>	<b>1,165.00</b>	<b>262.10</b>	<b>\$ 174,811.00</b>
110-5500-451-2300	Professional Services -Child Health & Development	166,589.44				\$ 166,590.00
110-5500-451-2300	Professional Services - Resilient Families	290,371.90				\$ 290,372.00
110-5500-451-2300	Professional Services - Quality Early Learning	46,000.00				\$ 46,000.00
110-5500-451-2300	Professional Services - GRANT Program Supports	10,000.00	18,447.00	1,000.00	5,889.38	\$ 35,337.00
110-5500-451-2300	Mini Grant Program	30,000.00				\$ 30,000.00
110-5500-451-2300	Community Outreach, Education & Advocacy	17,000.00				\$ 17,000.00
<b>Total Program Strategic Priority Area Expenses</b>		<b>559,961.34</b>	<b>18,447.00</b>	<b>1,000.00</b>	<b>5,889.38</b>	<b>\$ 585,299.00</b>
110-5500-451-2300	External Evaluators	25,000.00	33,024.00		1,500.00	\$ 59,524.00
110-5500-451-2300	Data System Management- Online Portal	22,000.00				\$ 22,000.00
<b>Professional Services - Evaluation</b>		<b>47,000.00</b>	<b>33,024.00</b>	<b>0.00</b>	<b>1,500.00</b>	<b>\$ 81,524.00</b>
<b>TOTAL EXPENDITURES</b>		<b>1,051,859.90</b>	<b>220,684.72</b>	<b>39,028.00</b>	<b>43,733.20</b>	<b>\$ 1,355,308.00</b>

Net Increase/(Decrease)      (41,211.90)      30,736.28      5,322.00      0.00      \$      (5,155.80)

## COMMUNICATION PLAN BUDGET FY 2022-2023

Line Item	Budgeted	Adjustment	Feb 2023 Amendment	YTD	Notes
<b>New Parents Kits</b>	\$ -				
<b>Community Education &amp; Outreach Special Projects Stipend-</b> (Stipends not to exceed \$500 per project/event)	\$ 500	\$ 1,500	\$ 2,000	\$ 230.00	Finger printing, increased by 1,500 for ALA grant
<b>Community Education, Outreach &amp; Awareness</b> booth/facility fees, promotional materials for outreach (books, children's engagement & activity materials, crayons etc.), banners, incentive items, food etc.	\$ 3,000		\$ 3,000	\$ 1,242.66	
<b>Community Sponsorships</b> - Community sponsorship grants, and event sponsorship packages (i.e., Bok Kai, YS Fair)	\$ 10,000	\$ (7,500)	\$ 2,500	\$ 2,150.00	
<b>Website &amp; Social Media</b> - Increase readability, cultural appropriateness and reflect current program and policy changes.	\$ 500	\$ 7,500	\$ 8,000	\$ 7,572.00	Sapphire charge for website. Comission approved contract extension to 22-23. Unspent funds
<b>Print Media &amp; Advertising</b> - Local Radio (Eng. & Span), Digital radio (Pandora, Spotify), Out of Home Marketing (i.e., Billboards, Bus shelters), Educational Print materials (brochures, push cards)	\$ 1,000	\$ 500	\$ 1,500	\$ 1,139.83	Sapphire charge for website.no roll over needed based on current allocations. \$1,500 for ALA grant
<b>TOTAL</b>	<b>\$ 15,000</b>	<b>\$ 2,000</b>	<b>\$ 17,000</b>	<b>\$ 12,334.49</b>	

## Actual versus Budget YTD

Balanced through 12/31/2022

Account Number	Account Title	Budget Amt	YTD Actual	Remaining	% Remaining
	Revenue	\$ 758,625.00	\$ 242,755.51	\$ 515,869.49	68%
	Misc Revenue	\$ 573,228.00	\$ 11,042.49	\$ 562,185.51	2%
	Interest	\$ 3,000.00	\$ 513.46	\$ 2,486.54	17%
	<b>TOTAL REVENUE</b>	<b>\$ 1,334,853.00</b>	<b>\$ 254,311.46</b>	<b>\$ 1,080,541.54</b>	<b>19%</b>
01-01	Staff Salaries	\$ 350,857.00	\$ 173,804.00	\$ 177,053.00	50%
01-19	EE Referral Program	\$ -	\$ 500.00	\$ (500.00)	0%
02-01	Co Share PERS UAL	\$ 68,508.00	\$ 34,254.00	\$ 34,254.00	50%
02-02	Co Share PERS	\$ 23,028.00	\$ 11,373.41	\$ 11,654.59	51%
02-04	Group Health Insurance	\$ 56,471.00	\$ 26,621.14	\$ 29,849.86	53%
02-05	Medicare	\$ 5,044.00	\$ 2,501.17	\$ 2,542.83	50%
02-06	Workers Comp Insurance	\$ 2,751.00	\$ 687.75	\$ 2,063.25	75%
02-07	Life Insurance	\$ 428.00	\$ 213.60	\$ 214.40	50%
02-08	Unemployment Insurance	\$ 351.00	\$ 174.32	\$ 176.68	50%
02-09	Retiree Healthcare Insurance	\$ 1,816.00	\$ 906.47	\$ 909.53	50%
12-00	Communications	\$ 2,300.00	\$ 760.24	\$ 1,539.76	67%
15-00	Insurance	\$ 5,000.00	\$ 4,798.00	\$ 202.00	4%
17-00	Maintance Equipment	\$ 37,023.00	\$ 18,605.25	\$ 18,417.75	50%
20-00	Memberships	\$ 4,875.00	\$ 4,000.00	\$ 875.00	18%
22-00	Office Expense	\$ 4,908.00	\$ 3,318.67	\$ 1,589.33	32%
23-00	Professional Services A/E/P	\$ 692,116.00	\$ 169,201.78	\$ 522,914.22	76%
	Subcategory - Administration	\$ 15,000.00	\$ 8,492.00	\$ 6,508.00	43%
	Subcategory - Evaluation	\$ 80,024.00	\$ 21,525.00	\$ 58,499.00	73%
	Subcategory - Program	\$ 597,092.00	\$ 142,822.53	\$ 454,269.47	76%
24-00	Publications	\$ 500.00	\$ -	\$ 500.00	100%
25-00	Rent & Lease/Equipment	\$ 1,663.00	\$ 633.73	\$ 1,029.27	62%
26-00	Rent & Lease/Building	\$ 33,075.00	\$ 15,420.02	\$ 17,654.98	53%
27-00	Minor Equipment	\$ 5,000.00	\$ 3,816.06	\$ 1,183.94	24%
28-00	Special Department Expenses	\$ -	\$ -	\$ -	100%
29-00	Travel	\$ 5,888.00	\$ 449.26	\$ 5,438.74	92%
40-00	Support & Care of Persons	\$ 10,000.00	\$ -	\$ 10,000.00	100%
53-01	County Administration	\$ 53,778.00	\$ 13,444.50	\$ 40,333.50	75%
	<b>TOTAL EXPEDITURES</b>	<b>\$ 1,365,380.00</b>	<b>\$ 489,385.87</b>	<b>\$ 879,896.63</b>	<b>64%</b>



**AGENDA ITEM 6**  
**February 23, 2023**

<b>Subject</b>	Budget and Suitability Planning
<b>Supporting Document(s)</b>	a. Staff Narrative – Provided at Meeting
<b>Overview</b>	<p>In November Proposition 31 pass by majority vote of registered voters which upheld SB 793 – a legislative measure signed by Governor Newsom on August 28, 2020, that bans the sale of flavored tobacco products and tobacco product flavor enhancers.</p> <p>While it is acknowledged Proposition 31 was right public health choice for young children and their families, there are unintended consequences to the Commission. Prop. 31 effects will start on 1/1/23 with the removal of products from the market. That means an additional \$16-25M in revenue decline for the current FY22-23. The full year effect of Prop. 31 will begin FY23-24 with an additional \$34-51M in revenue decline.</p> <p>Commissions will see the highest impacts over the next 18 months related to both 1) declining cigarette distributions and 2) Proposition 31 over the next 18 months will be between \$71-88M or 19.6 – 24.6 percent.</p> <p>Prop. 31 will reduce revenues by \$257-390M (10-15 percent) over the next eight years.</p>
<b>Discussion</b>	<p>At the December 16, 2023 regular Commission Meeting the Commission instructed the Executive director to establish an Ad Hoc Committee to look at future of Prop 10 revenues and strategize on sustainability efforts for the remainder of the Strategic plan time frame.</p> <p>Commissioners will receive an update report on the establishment, planning efforts and action items of this group.</p>
<b>Action Requested</b>	No action requested

**AGENDA ITEM 7**  
**February 23, 2023**

<b>Subject</b>	<b>Executive Director Activity Report: Jan - Dec</b>
<b>Supporting Document(s)</b>	ED Report Provided at meeting
<b>Overview</b>	The Commission will receive information on committees, First 5 CA and Association updates, operational/program activities, and the Executive Director special report.
<b>Discussion</b>	Further discussion upon inquiry
<b>Recommendation</b>	None
<b>Fiscal Impact</b>	None
<b>Action Requested</b>	None